

Update to Investors

(released November 19, 2001)

The purpose of this letter is to provide investors and others with a brief update with regard to the proceedings in the United States District Court, District of Oregon and the United States Bankruptcy Court. (Please refer to the October 2, 2001 letter to investors for a description of the general receivership action and the role of the Receiver.)

1. The Federal District Court Proceeding.

The trial of the above-described action was originally scheduled for October 29, 2001. The District Court continued the trial date until November 14, 2001. Trial commenced on November 14, 2001 and the parties presented their witnesses. However, the trial was not completed because the District Court decided that final arguments in the case should not be presented until December 18, 2001. We expect the District Court to enter judgement in the case within a very short time thereafter.

In the meantime, the Receiver remains in place as the sole natural person in control of and with authority over Alpha Telcom and its subsidiaries and affiliates.

2. The Bankruptcy Case.

Alpha's bankruptcy was transferred to Portland, Oregon, and an initial Status Conference was held before the Honorable Elizabeth L. Perris, United States Bankruptcy Judge. At that hearing, the Bankruptcy Court granted the Receiver's request to extend certain of the bankruptcy filing periods.

In a few weeks, you will be receiving a formal notice from the Bankruptcy Court regarding the case along with information on dates for future Bankruptcy Court proceedings and a date for filing a claim in the bankruptcy case. In the meantime, the Receiver is attending to issues related to the bankruptcy.

We will continue to provide you periodic updates as matters of significance occur.